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Press Release

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Senate Passes Bill to Work Toward a More Equitable Tax System

SALEM – Today, the Oregon Senate passed Senate Bill 1, which will allow taxpayers to voluntarily self-report their race and ethnicity while filing tax returns for the purpose of generating data for later analysis of revenue policy through an equity lens.

The bill passed 17-8 and now heads to the House for consideration.

"The data we gather thanks to Senate Bill 1 will help us better understand how our tax structure, credits and expenditures affect different racial and ethnic groups in Oregon," said **Senate President Rob Wagner (D-Lake Oswego)**, chief sponsor of the bill. "I expect that future legislatures will use this information to move our state toward a more equitable tax system."

Systemic barriers along racial and ethnic lines have long led to different economic outcomes for Oregon families. Senate Bill 1 will give the state the tools to ensure that Oregon's tax system is treating all Oregonians equitably.

Starting in 2024, filers will be able to select up to three racial and ethnic identifiers from nearly 40 options, modeled off a list of identifiers developed by the Oregon Health Authority.

The data will be stored securely and separately from other data included on tax returns and will only be available to staff at the Department of Revenue, Legislative Revenue Office and in the Department of Administrative Services economic analysis office.

The data generated via Senate Bill 1 will be utilized for statistical analyses and to inform racial impact statements and analyses of proposed administrative rules and budget requests. All data will be anonymized if included in a report.

"Often when we talk about reviewing our systems through an equity lens, we forget about our tax systems," said **Senator Winsvey Campos (D-Beaverton)**, co-sponsor of the bill. "We currently do not have a clear picture on how our taxes affect people of color, and this bill will help give us the data we need to better lift up those communities."

Senate Bill 1 is one of hundreds of bills that were threatened by the Senate Republican walkout.

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